Payment of power tariffs by consumers

835. SHRI M.V. MYSURA REDDY: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that power consumers in the country are paying highest tariffs in the world for energy supplies/services based on the average purchasing power parity price;

(b) if so, the details thereof; and

(c) the details of the tariff in US, Germany, Japan and China?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) to (c) As per the statistics published by the International Energy Agency, in the year 2006, the retail prices of electricity for industrial and household consumers in USA, Japan, China (Taipei), France and United Kingdom (UK) were as under:

SI. No	Name of the Country	Industrial Consumers		Household Consumers	
		Price in US$/kWh	Price in Rs./ Kwh*	Price in US$/kWh	Price in Rs./ Kwh*
1.	USA	0.0549	2.25	0.0961	3.94
2.	Japan	0.1272	5.21	0.1963	8.05
3.	China (Taipei)	0.0512	2.10	0.0690	2.83
4.	France	0.0483	1.98	0.1365	5.59
5.	UK	0.1003	4.11	0.1580	6.47

* Above conversion for comparison purposes has been done using an exchange rate of 1 USS = Rs.41.00

As against above, in the year 2006 the prices of electricity for domestic consumers of 400 kWh per month in India in various states were in the range of Rs. 1.14 to Rs. 5.16 and that for various classes of industrial consumers in India in various states were in the range of Rs. 1.57 to Rs. 8.04.

Status of UMPP at Sasan

836. SHRI EKANATH K. THAKUR: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that for the last six months, the country's largest Greenfield power project is on standby mode;

(b) whether it is also a fact that six months after it chose a bidder for the 4000 MW Ultra Mega Power project (UMPP) at Sasan in Madhya Pradesh and gave it **a** Letter of Intent, the Ministry now cannot decide whether or not to award the contract; and

(c) if so, whether Government have made any investigations in this matter and if so, the action proposed thereon?

THE MINISTER OF POWER (SHRI SUSHIL .KUMAR SHINDE): (a) to (c) The transfer of the Special Purpose Vehicle (SPYV) that is, Sasan Power Limited (SPL) to the bidder identified for implementation of the 4000 MW Sasan Ultra Mega Power Project in Madhya Pradesh had been held up after issue of the Letter of Intent on account of legal and contractual issues. The Empowered Group of Ministers (EGoM), set up for facilitating expeditious decisions in all cases concerning Ultra Mega Power Projects (UMPPs), examined the matter relating to the award of the project.

Keeping in view the overall public interest and after examination of various clauses of the bid documents, the EGoM *inter-alia* decided that the procurer should cancel the Letter of Intent issued to the Globeleq-Lanco consortium, as the consortium was not qualified even at the RfQ stage and its response to the RfQ was void *ab-initio*. It also decided that the procurer should return the Bid Bond of the consortium after deducting a sum of Rs.l crore, and hold negotiations with the remaining bidders and seek their final bid(s) for levelised tariff.

Accordingly, Sasan Power Limited (SPL) received revised offers from the remaining valid bidders, of which the bid of M/s. Reliance Power Limited, offering a levellised tariff of Rs. 1.19616 per kilo watt hour was the lowest. SPL issued the Letter of Intent to M/s. Reliance Power Limited on 1st August, 2007, and has thereafter carried out the necessary documentation on 7th August, 2007 for the transfer to them of the Special Purpose Vehicle, Sasan Power Limited which had been set up for the Sasan UMPP.

Trading of electricity

†837. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

(a) whether it is a fact that the permission for trade in electricity in public and private sector is being given in the country;

(b) if so, the names of public and private sector companies presently engaged in the electricity trade;

(c) whether it is also a fact that per unit sale price of electricity is increasing due to constant growth in trade in electricity for last few years; and

(d) if so, to what level the sale price of electricity have been raised by the firms engaged in the trade in electricity, from 2004 to 2007?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) The Electricity Act, 2003 defines trading as "purchase of electricity for resale thereof". Section 14 of the Act provides that the Appropriate Electricity Regulatory Commission may, on an application made to it under section 15, grant a licence to any person to undertake trading in electricity as an electricity trader, in any area as may be specified in the licence. The Act also provides that a distribution licensee shall not require a licence to undertake trading in electricity.

†Original notice of the question was received in Hindi